

CEO E-Briefing

A weekly report to City Council and the community



July 1, 2011

No. 2

Summer Concerts in harmony with City

Thanks for all your feedback on the first edition of the weekly CEO E-Briefing. I've received many compliments on the style and content of the newsletter, along with some helpful suggestions for future stories.

If you've felt out of sorts these past five days, it may be because it's the first week in more than three months that we haven't had a lengthy City Council meeting or study session on Tuesday evening. If you want to get a sense of just some of the work we've done over that period, check out our [Behind the Budget Numbers](#) page on the website.

The Tuesday evening routine begins again next week with a Council meeting that I, for one, hope ends a little early so I can head over to Fairview Park to catch the tail end of the free [Concert in the Park](#), which begins at 5:30 p.m. The festive event – put on by good folks at the [Costa Mesa Community Foundation](#) – features a new caravan of food trucks and a wine and beer garden – plus, of course, some great music that gets the community together in harmony. It's a perfect summer tradition.

Tom Hatch, Chief Executive Officer, City of Costa Mesa



CEO's Office

Upcoming: Concerts in the Park Tuesday and more!

On Tuesday, the first free [Concert in the Park](#) begins at 5:30 p.m. (music at 6:15 p.m.) at Fairview Park with gourmet food trucks, a wine and beer garden, kids' activities and music from the **Peggy Nelson Project** playing top 40 hits ... At the concert, look for a booth manned by the [Community Emergency Response Team](#)

(CERT) and [Mesa Emergency Service Amateur Communications](#) (MESAC), which will be handing out information and recruiting new members... Also on Tuesday evening, the **City Council** will meet at 6 p.m. to tackle a fairly light agenda that includes a public hearing on what rates **Public Safety** should charge for staffing special events ... On July 9, the **Parks and Recreation Commission** will conduct a tour of seven City parks to provide residents with an opportunity to meet and talk with commissioners. For a schedule, click [here](#) ... Woodstock comes to Costa Mesa on July 9 and 10 at the [Orange County Market Place](#) ... On Saturday from noon to 2 p.m., [Woodstock Mud](#) will perform a tribute to Crosby, Stills and Nash ... On Saturday from noon to 2 p.m., [Aquarius '68](#) will pay tribute to music legends including Janis Joplin, John Fogerty, Sly Stone, Jim Hendrix and Arlo Guthrie.

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Stories by Department

CEO's Office

- In harmony
- Upcoming: Concerts and more!
- Follow-up from June 21 Council meeting
- Ready for some fireworks
- First Costa Mesa Restaurant Week coming next month
- RDA Threatened
- Notes from Marketing and Communications

Administrative Services

- Bath'Stille Day going to the dogs

Development Services

- "Forever 21" opens at South Coast Plaza
- Development Services notes

Fire

- Analysis of Orange County Fire Authority proposal finished
- Sole power: helping in a disaster

Police

- Dog License Clinic

Public Services

- City receives \$5.3 million for transportation improvements

☒ Comments or suggestions, please contact wlobdell@ci.costa-mesa.ca.us



City of Costa Mesa



Costa Mesa City Hall

CEO's Office (continued)

Follow-up from June 21 Council meeting

- The Finance Department is preparing a response to the **Orange County Employees Assn.** financial analysis and the **CM Taxpayer Assn.** budget suggestions.
- The review of budget policies, the City's cash flow and the new 5-year projections and capital reinvestment plan will be presented at the July 12 Study Session.
- Second interviews with the **police chief finalists** are completed.
- First interviews with **finance director candidates** are in the process of being scheduled.
- The screening of **assistant CEO** applications has been completed and interviews are being scheduled.

Making History

The first store to open at South Coast Plaza was:

- A. Sears
- B. Saks Fifth Avenue
- C. May Company
- D. Bullock's

Answer: C. May Company, which opened in late 1966, a few months prior to the official opening of the Plaza on March 14, 1967.



Ready for some fireworks

The City is gearing up to make sure residents have a safe and sane Fourth of July weekend. Among the preparations:

- Interim Police Chief **Dennis Kies** has approved two extra patrol shifts for Saturday, Sunday and Monday nights and has given the watch commanders the flexibility to approve overtime should the need arise. Also, the City will make use of two Huntington Beach helicopters that will be in the air during most of the holiday weekend for both patrols and calls.
- Fire Department will have Battalion Chief **Kevin Diamond** on duty on July 4. No overtime is planned. The weather forecast indicates a hotter weekend but lighter wind. The Department is currently inspecting the fireworks booths, and will make visits to the six authorized block parties. Fire officials have met with Newport Beach and Huntington Beach Fire to coordinate any necessary mutual aid assistance to either city.
- Public Services has put signs about fireworks regulations in the community and parks. And TNT is scheduled to assist with clean-up on July.
- Communication and marketing has completed several public services announcements and press releases regarding fireworks safety and rules. In addition, staff worked with the Daily Pilot to get [an article](#) printed on the changes in Wednesday's edition.

We are prepared, and we will be successful but we need residents and their guests to act responsibility as well.

First Costa Mesa Restaurant Week coming next month

The first **Costa Mesa Restaurant Week** is coming Aug. 19-26, 2011! Showcasing the diversity of dining options in the city, participating restaurants will offer a prix-fixe menu of three or more courses at incredible prices ranging from \$10.11 to \$20.11 for lunch and \$30.11 to \$40.11 for dinner menus. Participating restaurants include such **Costa Mesa favorites as Mastro's Steakhouse, Charlie Palmer, Scott's Restaurant, Hamamori, Pizzeria Ortica, Mi Casa** and more.



CEO's Office (continued)

Costa Mesa Redevelopment Agency threatened – again

Gov. Jerry Brown this week signed four bills (SBI 14, ABXI 26, SBXI 15 and ABXI 27) recently passed by the Legislature that would eliminate redevelopment agencies on Oct. 1. The legislation proposed that money previously used by redevelopment agencies would be used to help close the state's budget gap.

CEO E-Briefing talked with **Muriel Ullman**, the head of Housing and Community Development, about what this means for Costa Mesa and its redevelopment agency.

Will redevelopment agencies in the state really be closed down on Oct. 1?

Under SBX 15 and ABX1 26, all agency property and obligations would be transferred on Oct. 1 to successor agencies and overseen by an oversight board. The assets of the low- and moderate-income housing fund would be transferred to the state auditor-controller for distribution to taxing agencies.

However, SBX1 15 and ABX1 27 – known as the opt-out bills – allow an existing agency to opt out of shutting down and continue to operate and function, by making annual payments into two specific funds designated by the State.

Continued on page 6

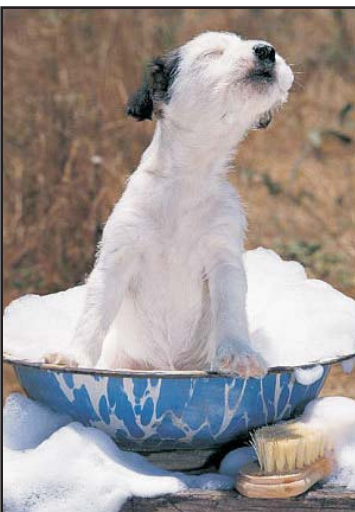
Notes from Marketing and Communications

Dane Bora and **Brad Long** of CMTV-24 taped a new episode of "City Talk" this week with guest **Steve Beazley**, the president and CEO of the [Orange County Fair and Event Center](#). The show will start airing next week and will put everyone in the mood for this year's fair, which opens July 15 ... A committee made up of city employees and a resident is recommending that the Council approve Tuesday a \$46,000 contract with [Vision Internet](#) to develop the City's new website that should be completed by mid- to late fall ... You can view Vision Internet's portfolio [here](#).



Dane Bora interviews Steve Beazley on "City Talk"

Administrative Services



Bath'Stille Day going to the dogs

This year the cheer and football squads from **Estancia** and **Costa Mesa high schools** will compete in a new sport – dog-sudsing and towel-drying – Saturday, July 9 in order to lend support to the [Costa Mesa Bark Park](#). The facility at Arlington Avenue and Newport Boulevard is one of the few dog parks that is completely self-supported. On Bath'Stille Day, you take your dogs to the park, let them roll in the dirt and then sit back and relax with a gourmet hot dog while you watch someone else wrestle with your dog and a bottle of shampoo. The washes cost \$20 for any dog and \$5 more will get them a pedicure.

Bath'Stille Day also includes a Vendor Fair, dog adoptions, raffle, BBQ, food trucks and face painting for the kids. German Shepherd Rescue OC is again offering and implanting microchips for only \$25.

Development Services

"Forever 21" opens at South Coast Plaza

The fast-fashion, bargain retailer **Forever 21** received final approval by the City's Building Division June 24 on its 43,377-square-foot interior tenant improvements and opened at **South Coast Plaza** the next day. The two-story Forever 21 on the basement and lower level of the Sears property worked out a deal with Sears Holdings Corp. to take a portion of the store. The clothing and accessories chain created a separate store with its own entrance into the mall and new exterior façade. In addition, new escalators, elevator, sales areas, changing rooms, two new restrooms, stairs, and skylights were created to form this exciting new addition to South Coast Plaza.

Development Services notes ...

The improvement plans for a new front entrance at 3350 Avenue of the Arts for the **Silver Trumpet Lounge** restaurant at the [Wyndham Hotel](#) are in second plan check ... Other proposed exterior tenant improvements for the restaurant include the installation of an outdoor patio area with fireplace, new landscaping and the addition of lighting to the entryway ... Remodeling of the existing 1,074-square-foot dining and kitchen areas inside the hotel restaurant are also incorporated in their plans ... Building permits were issued June 23, 2011 for the construction of a new 1,585-square-foot [Sonic Burger](#) at 3095 Harbor Boulevard ... The fast-food restaurant will include a drive-thru, a 4,515-square-foot carhop canopy, a 1,120-square-foot patio canopy, a new block wall, and landscaping and irrigation improvements ... Construction is scheduled to begin this month.



Secret Spot

Somewhere in Costa Mesa you might recognize this bit of local scenery.

Hint: You can go to the head of the class if you get this one.

To get the whole picture, see page 5.

Fire Department

Analysis of Orange County Fire Authority proposal finished

City staff has finished a 38-page analysis of the [Orange County Fire Authority's proposal](#) to manage and operate the Costa Mesa Fire Department. You can read the report [here](#). The proposal is scheduled to be presented to the City Council on July 19.

Sole power: helping in a disaster

The **Costa Mesa Fire Department** have joined community volunteers **Angie** and **Chris Edgerly** and the [Soles4Souls Foundation](#) to collect new and gently used shoes for men, women and children affected by disasters. Shoes and sandals of all sizes are needed and can be dropped off during business hours at all fire stations and the Fire Administration office on the 5th floor of City Hall today through July 31. All shoes collected will be distributed by Soles4Souls to those affected by recent disasters in Missouri, Alabama, Japan and Haiti.

Angie and Chris are not only [Community Emergency Response Team](#) (CERT) members they are also actively involved in scouting in Costa Mesa. They have donated many volunteer hours to those in need and have made numerous trips across the country and the world to assist in disaster relief.



Evacuation drill at the Costa Mesa Senior Center

Staff from the [Costa Mesa Senior Center](#) and the City of Costa Mesa recently conducted an evacuation drill of the Senior Center at 695 W. 19th St. Trained Senior Center employees safely escorted seniors and visitors from the Senior Center building. Fire Department personnel observed the exercise and later provided a critique. Another evacuation drill will be held near the end of this year.

Police Department

Costa Mesa Animal Control, in partnership with the **Orange County Humane Society (OCHS)**, will be conducting two dog licensing clinics on Friday, July 8 (4 p.m. to 8 p.m.) and Saturday, July 9 (10 a.m. to 2 p.m.) in the greenbelt area between the **Police Department** (99 Fair Drive) and City Hall.



The purpose of the clinics is to promote dog licensing and provide the community with a convenient opportunity to license their dogs. Costa Mesa dog owners are encouraged to attend the one-stop-shop clinics. The benefits of attending include:

- License fees will be waived for Costa Mesa residents registering their dog(s) for the first time.
- All dog licensing late fees will be waived.
- OCHS will be providing rabies vaccinations for only \$8.
- OCHS will provide microchip services for the reduced cost of \$26.

*To license your dog, please bring proof of neutering or spaying and proof of a valid rabies vaccination (if not having dog vaccinated at clinic); All dogs must be on a leash and no appointment is necessary; Cash and/or checks will only be accepted. For further information contact **Sgt. Phil Myers** at 714.754.5074.*

Public Services

City receives \$5.3 million for transportation improvements

The Public Services Department/Transportation Services Division is pleased to announce that eight projects received Measure M2 grant funding through a competitive process for approximately \$5.3 million.

Orange County Transportation Authority's 2010 Call for Projects was issued for the Regional Capacity Program providing approximately a total of \$56 million for roadway improvements across Orange County. The Renewed Measure M (or Measure M2) is the 30-year extension of the original half-cent gas tax program. Costa Mesa competed for a total of 10 projects under this "Call for Projects" and secured funding for eight projects.

The major projects selected for funding include two improvements to Harbor Boulevard: Adams Avenue intersection widening and widening north of South Coast Drive to Sunflower Avenue.

If you have any questions, please call **Raja Sethuraman**, transportation services manager, at ext. 5032.



17th Street after recent improvements

Secret Spotted

Alumni of Costa Mesa's only four-year baccalaureate college will recognize the flame from the Vanguard University sign at 55 Fair Drive.

Speaking of Vanguard, did you know?

Vanguard was originally named Southern California Bible College when it located to Costa Mesa in 1950 from Pasadena. It renamed itself Southern California College in 1959, and became Vanguard University in 1999. Vanguard University was named in the top ten of the best baccalaureate colleges in the West by U.S. News and World Report for the 3rd year in a row.



Costa Mesa Redevelopment Agency threatened – again (continued from page 3)

According to the California Community Redevelopment Assn., the bills are inconsistent with various Constitutional provisions that protect city and county property tax and redevelopment tax increment. The bills ignore these protections by accomplishing indirectly what cannot be done directly and calling the opt-in payments voluntary. Voluntary means the act of doing something willingly. The bills' "voluntary payment" would be done with constraint with the expectation that the payment would be in lieu of eliminating redevelopment.

Is there a way Costa Mesa could save its Redevelopment Agency? If so, what would it cost taxpayers?

Under the opt-out bill, an agency can continue to operate and function if the community has enacted an ordinance by Nov. 1. The contents of the ordinance are not described in detail; however, it apparently involves the City making a commitment to make annual payments into a Special District Allocation Fund and Educational Revenue Augmentation Fund.

The estimate that the City has received is approximately \$1.5 million out of approximately \$5 million it collects each year. It is unclear at this point whether the Agency will still be required to make its full allocation to the low- and moderate-income housing fund during fiscal year 2011-2012.

If the Costa Mesa Redevelopment Agency is closed down, what's the practical effect on the City's redevelopment areas – which are mostly on Costa Mesa's Westside?

This would have a devastating effect on our ability to continue to provide quality infrastructure that's part of the capital improvement plan put forth by our Public Services Dept. Additionally, affordable housing projects funded with Redevelopment Agency money would virtually come to a halt.

The Costa Mesa Redevelopment Agency still owes the City several million from a loan that was given more than a decade ago. Will that loan go unpaid?

Based on our preliminary legal analysis, this loan will not be paid back under SBX1 14 and ABX1 26. However, should the Agency continue to operate under the opt-out bill, it is our understanding that the loan will remain in place.

Will the City receive any money from its Redevelopment Agency if it's closed down?

Under SBX1 14 and ABX1 26, the short answer is no. The funds would be transferred to successor agencies and the auditor-controller. The successor agencies and the auditor-controller would be charged with repaying existing indebtedness, completing performance of existing obligations, winding down operations and preserving agency assets for the benefit of taxing agencies.

Under the opt-out bill, the Redevelopment Agency will be allowed to operate and function and continue to collect tax increment, repay debt and fund ongoing obligations and develop new projects.

What will happen to development projects currently in the pipeline, such as the lighting at Lions Park and West 19th Street reconstruction?

Language contained in SBX1 14 and ABX1 26 implies that unless projects are "shovel ready" and subject to existing contracts, they would not be enforceable obligations. There is clear language prohibiting the creation of new debt for future projects, even though they may be part of a capital improvement plan.



Volunteers pitch in to improve a local residence